ആന്ന രീതിയിലാണ്". അതായത് അവിടെയുള്ള നികുതിയാണ് ഇവിടെയും ഏർപ്പെട്ട ത്തുന്നതെന്നത്രം. മദ്രാസ് സംസ്ഥാനത്തിലെ സ്റ്റാൻണ്ടേഡ് ഇവിടെയും കൊണ്ടുവരുന്നതു നന്നായിരിക്കും. ഇപ്പോൾ പെട്ടെന്നു മാറ്റുന്നതു ശരിയായിരിക്കയില്ല. പിന്നെ ഒരു സാധനത്തിന്മേൽ ഒരിക്കൽ മാത്രം നികുതി ചുമത്തുകയാണെങ്കിൽ ആ നികുതിക്കൊണ്ടു നാം ഉദ്ദേശിക്കുന്ന വരുമാനം കുറയും. അതുകൊണ്ടു ആ പദ്ധതി സ്വീകരിക്കുവാൻ നിവൃത്തിയില്ല. പിന്നെ അതു് സെലക്ട് കമ്മിറ്റിക്കയച്ചാൽ കൊള്ളാമെന്നു ബഹുമാനപ്പെട്ട മെമ്പർ പറഞ്ഞു. അതു് സ്വീകാര്യമാണ്. സിലക്ട് കമ്മിറ്റിക്കയക്കാൻ നിർദ്ദേശിച്ചു കൊള്ളാം.

മിസ്റ്റർ ഒ. ടി. ഇനാശു: മണ്ണെണ്ണ വില്പനനികുതിയിൽ നിന്നും ഒഴിവാക്കിയിട്ടുണ്ടോ? മണ്ണെണ്ണക്കു് ഇപ്പോൾ വില്പനനികുതി വാങ്ങിക്കുന്നുണ്ടു്.

മിസ്റ്റർ പി. ഗോവിന്ദമേനോൻ: മണ്ണെണ്ണയിന്മേൽ കൊച്ചിയിലെ കച്ചവടക്കാർ നികുതി വസൂൽ ചെയ്യുന്നുണ്ടെങ്കിൽ നടപടിയെടുക്കേണ്ടതാണു്.

മിസ്റ്റർ ഒ. ടി. ഇനാശു: ഗവൺമെണ്ടിൽ നിന്നും കൊടുക്കുന്ന മണ്ണെണ്ണയിന്മേൽ വില്പനനികുതി ചുമത്തുന്നുണ്ടു്.

മിസ്റ്റർ പി. ഗോവിന്ദമേനോൻ: മണ്ണെണ്ണക്കു് വില്പനനികുതിയില്ല. എന്നാലും വില്പനനികുതിയെടുക്കുന്നുണ്ടെന്നു് ഗവൺമെണ്ടിന്റെ ശ്രദ്ധയിൽ പെടുത്തിയാൽ നടപടികൾ എടുക്കുന്നതാണു്.

Mr. President : The question is that the Cochin Sales-Tax Act (Amendment) Bill be read in the Council,

Motion put and carried

Secretary to the Assembly : The title of the Bill is " The Cochin Sales Tax Act (Amendment) Bill.

Mr. P. Govinda Menon *(Minister for Finance and Law):* Sir, I move that the Cochin Sales Tax Act (Amendmment) Bill be referred to a Select Committee consisting of the Hon'ble Minister for Education and Public Health, Messers. M. Bhaskara Menon, K. Kunjrama Menon, Sebastin Thopil, A. L. Jacob, Miss. Annie Joseph, Messrs. K. C. Mayankutty Mether, O. T. Inasu and Itteria Ambukkan. The Mover is a member under the statutory provision.

Motion put and carried.

Mr. P. Govinda Menon *(Minister for Finance and Law)* : The Report of the Select Committee may be submitted on Monday.

Mr. President : The Bill will be referred to the Select Committee consisting of the members mentioned above and the Report will be submitted on Monday.

Mr. C. A. Ouseph *(Minister for Education and Public Health):* Government do not move the Bill now. It does not affect the budget.

(d) CONSIDERATION

(i) The Select Committee Report on the Cochin Minimum Wages Bill.

* **Mr. P Govinda Menon** *(Minister for Finance and Law)*: Sir, I beg to present the Select Committee Report on the Cochin Minimum Wages Bill. In doing so, I wish to make a very brief statement as contemplated by the Standing Order. Sir, this Bill was introduced in this House about two years ago and the fact that it required a period of two years for this House to reach the stage when the Report of the Select Committee is presented is indication enough, if any such indication is required, that the rules and procedure of this House require to be redically altered in order to enable movers of Bills to see that their Bills are passed in proper time. After a period of two years, we are now at the stage when the Select Committee Report is being considered. At the time when I presented this Bill in this House two years ago the most important feature of this Bill was a provision regarding bonus. It was provided in that Bill as presented in this House that minimum wages will include bonus which will be 50 Per cent of the net profits of any employers. At the time when the Bill was introduced by me incorporating the provision of bonus it created, so to say, some sensation because it was a unique provision like that did not exist in the Bills intrduced in any other legislature. But I made bold to say even on that occasion that it is avery wholesome measure and a provision like that will bring in industrial peace and the realtions between industrialists and employees will be improved if there is a provision, statutory provision, requiring employers to pay bonus. The Bill went to the Select Committee and in the Select

* Speech not corrected by the Hon'ble member.

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[Mr. P. Govinda Menon]

Committee a majority of members did not agree that the clause regarding bonus should be there. But a minority stated that the bonus clause should be retained. Therefore the report as it is presented to-day is a report in which there is no provision for payment of bonus. But with all that I am not moving an amendment to this Bill in order to incorporate the provision regarding bonus. The reason is not that I have up that case but because anonher legislation is required in order to get for labourers a share in the profits of industry. When I introduced the Bill in this House, two years ago, incoporating a statutory provision for payment of bonus to workmen, the idea was not accepted anywhere else in India. But much water has flown after that and the Governmeut of India themseleves last year have accepted the theory that workmen are entitled to a share in the profits of industry. And accordingly the matter was eloborately examined by the Government of India with the result that the Ministries of Industries and Labour in ihe Government of India have drawn up programmes for legislation for introducing the principle of profit sharing. Whether provisions to that effect should find a place in the Minimum Wages Bill or whether there should be separate legislation for that purpose, that is the only difference in the whole matter. I have before me a copy of the Report of the Committee on Profit Sharing published by the Government of India in the Ministry of Industries and Supply. A Committee was appointed in which several interests were represented and I note that in that Committee were such renowned economists and representatives of Trade Union in India like professor Radh Kamal Mukerji, Mr. Ashok Mehta, Mr. Kindubai K. Desai and Mr. V. B. Karnik. Mr. H. C. Joshi was also there. I am referring only to these names whom I can identify as persons who are connected with the Trade, Union Movement, There were representative of industry like Mr. A, D. Shroff and there were representativs of Government also. These representatives have come to the conlusion that it will promote industrial peace in this country and it will be taking new and good and gold step if a scheme of profit sharing is introduced in India and the Government of India is now engaged in the investation as the form in which legislation should take inorder to bring this idea into force. I can assure the House that simultaneously with the Government of India parallel legislation will be introduced here in order to enable our workmen also to participate in the profits of industry according to the scheme to be adumberated by the Government of India. So if I do not move an amendment to the Bill as reported by the Select Committee to re-incorporate the clause regarding bonus it is not because that idea has been given up by me, but because the idea has been later accepted on an all-India plan and an attempt is now being made to place it on a statutory basis.

മിസ്റ്റർ വി കെ. ജോസഫ്: On a point of information, Sir, ബോണസ്സിനെ സംബന്ധിക്കുകയാണോ, മിനിമം വേജസ്സ് ബില്ലും ഓർമ്മയുള്ളതുകൊണ്ടുവരികയല്ല വേണ്ടത്?

Mr. P. Govinda Menon *(Minister for Finance and Law)*: I will answer that. So it is for that reason, not because the idea has been given up but because an all-India legislation is going to come on that snbject that I am not moving an amendment. The Hon'ble Member from Alur puts the question whether under the circumstances it is not better to wait for that legislation to come and not to move the Minimum Wages Bill to-day. But that is not necessary. The Minimum Wages Act is already on the Statute Book of the Centre and there is no reason why our workmen also should not get the benefit of statutory minimum wages to be laid under rules to be framed under this Act. With these few words Sir, I present the report of the Select Committee on the Minimum Wages Bill.

Mr. C. V. Iyyu *(Kunnamkulam)*: May I know when this profit-sharing legislation be passed and would come into Force? Even if it is introduced in the contral Legislature it would be at least some six months to come out as law.

Mr. P. Govinda Menon *(Minister for Finance and Law)*: As soon as the Bill is prepared we can also introduce it here. I know they are actively at it.

Mr. C. V. Iyyu *(Kannamkulam)*: What is the harm in introducing the Bonus clause in the present Bill? If an opportunity comes after the legislation of profit sharing is passed at the centre sulitable changes may be made in the then existing Act here?

Mr. P. Govinda Menon *(Minister for Finance and Law)*: I will tell you what the harm is, Sir, Even when I introduced the Bill on the last occasion I referred to certain things which may have to be done in the Select Committee. For example, we must lay down in the Bill some rules as what shall be the capital employed in the matter of each concern. There is some contraversy as to how to calculate the capital employed in a given concern. On that matter investigation is going on. Suppose the paid up capital of a certain company is 10 lakhs of

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rupees. After some time there might be depreciation, there might be several factors the book-value of the company one thing, the real market value may be another thing. So on a matter like as to how to compute the capital employed in a concern, on that matter investigation is going on and it my be rather premature on my part now to introduce a Bill here and have my own ideas as to what can be the capital employed in each concern. Because it is much better that it is done on an all-India basis. Secondly it will be agreed that depreciation in any concern must be a first charge on the gross profits. With respect to that matter even if a legislation is passed here now, it may be possible for each concern to calcalcute depreciation according to its own method and for that matter also it is much better that an all-India standard is laid down. Then there is the question of reserves. When the 50% of the net profits of a concern is distributed as profits to the employees the capitalist or employers might say that some amount every year should be set apart for equalisation of profits to compensate loses and to build up a reserve. What is percentage of gross profits that must be set apart by way of reserve? Then there is the question of fair return on capital employed. The Bill as I introduced it provided that fair return on capital will be 6% per annum. Now, there are some people who think that 6% is too high a return and there are others who think that it is too low a return. Cochin State, small as it; is cannot stand as a sparate and different economic entity for the whole of India. And for this matter of fair return on capital employed it is much better in the interests of Cochin that we fall in line with all-India. Then, after these things are deducted from gross profits, the surplus profit is shared. All these things require very elaborate investigations and calculations. Again, there is some doubt expressed whether a provision like this may not be an encroachment upon the provision of the India Companies Act, which lays down as to what shall be the way in which profits of a company shall be distributed. Taking into consideration all these matters and see that the Government of India is accepting the principle of profit-sharing in industry and also considering the fact that the Government of India is actively engaged in that question I thought, enthusiastic as I was and as I am even now regarding the question of bonus, that in the interests of the very principle which I advocate, in the interests for which I stand, namely, participation of labour in the profits of industry by way of bonus in the interest of that idealism which has always actuated me, I thought it is better to wait for an all-India Legislation which can be introduced here.

Mr. C. V. Iyyu *(Kunnamkulam)*: I would like to get more information. In these clauses there are provisions for appointment of a Committee to decide as to the probable bonus that can be given. The investigation about which the Hon. Minister for Finance said may go on there at the Centre, probably in a more efficient way or better way. That is all in the matter of introducing a separate Bill for sharing profits. But will not these clause which the Hon. Minister has once introduced in the measure in a way to be of help to solve the present problem for a few months for profit sharing and will create contentment among the labourers? That will be indirectly helping more production at least for the next few months. What harm is there in incorporating this bonus clause in the present Bill? When the profit sharing Bill comes into force as law, this clause can be deleted by another amendment of the Act then in force. Will it not be better in the interests of labour as well as capital and in the interests of securing increased production and also to avoid strikes?

Mr. P. Govinda Menon *(Minister for Finance and law)*: The question is whether we may not wait for a few months. That is all. Even now almost every major industry is paying bonus to workmen and if there is dispute between workmen and employers on that question, we are freely resorting to the machinery of adjudication and of late I know of no adjudication which has not awarded bonus to our workmen. Of course that bonus is not placed on a statutory basis and it is to have it placed on a statutory basis that we are attempting. In the meanwhile the question is, seeing that the Government of India is at the question now, whether it is not worthwhile for us to wait for a few months,when the Government of India Bill will be on the anvil and we can simultaneously pass it here.

Mr. C. V. Iyyu *(Kunnamkulam)*: I feel that the labourers are being mis-lead by certain agitators who have their own axe to grind. So just to satisfy the labourers and in order that they may not be led by leaders who are not those who has the interests of the Nation as a whole I mean leaders who want to make hue and cry and court cheap popularity, is it not better that we for the time being adopt the bonus clauses and wait for a few months when the profit sharing legislation be replaced in the place of the bouns clauses. In the matter of adjudication even for that it takes one or two months for the labourers to get their claims established, although the machinery is not as cumbersome as courts of law so as not to have as much delay as in

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the civil courts. Yet there are strikes and one day as well as several day strikes, go slow and staying in strikes etc. All this means loss of a lot of production. I therefore am constraimed think that it is better in the interests of the conntry as a whole to adopt the bonus clause about which the Hon'ble Minister himself said that he was so enthusiasite in the very early stages of the Bill.

Mr. P. Govinda Menon *(Minister for Finnce and Law)*: I am still enthusiastic about it and I must assure the Hon'ble Member for Kunnamkulam that it is on account of my enthusiasm that I want to be reinforced by the support of a strong Government like the Government of India in a matter like this. Otherwise there would be working difficulties as well. For example there are limited companies which have got branches in Cochin. Some practical difficulty might arise in such cases for example about the capital employed in Cochin. That practical difficulty arose in the case of two adjudication after the introduction of the last Bill. In the case of two adjudications that practical difficulty arose. Those were the adjudications in the Burmah-shell and the Standard Vaccum Oil Company. There the workmen contended that they are entitled to get 50% of the net profits of the company, that is to say the contention was on the lines of the principles laid down in the Bill which I introduced. The Learned Adjudicator awarded 25% of the net profits of the company. Now, S. V. O. C. is a world-wide concern. So also is the Burmah-shell. The question arose as to what is the capital, the question arose as to what are the profits, and the question arose as to how to award that bonus. Now, taking into consideration all these difficulties I thought that it is much better that the legisation is brought on an all-India basis, especially because Government found that the Government of India is at the question now.

Mr. C. V. Iyyu *(Kunnamkulam)*: Sir, the whole affair seems to be so simple to arrive at a decision. There is no appellate authority for further delaying the question. It is enough that the members of the Committee whom the Government appoint ought to be suitable persons to find out what capital they have invested in Cochin as far as that particular company which has got its headquarters anywhere out of Cochin. I think it is desirable and there will not be any difficulty about the minimum wages if sub-clause (a) of sub-section (2) of section 3 is properly worded. I think the Government can accept that for the time being as a temporary measure.

Mr. President: The question is that the Cochin Minimum Wages Bill be taken into consideration.

Motion put and carried.

Clauses 2 to 5 put and carried.

Mr. C. V. Iyyu *(Kunnamkulam)* Sir, I move "insert as clause 6 the following and renumber all subsequent clauses in the order accordingly.—

"6. (1) Government may, in the manner hereinafter provided, fix in respect of any scheduled employment the minimum bonus out of the net profit of the employer the previous year, and specify the workmen to whom such bonus is payable. Such net profits shall be computed after deducting 9 per cent interest on the capital invested by the employer or such higher rate as Government may deem fit to fix.

Mr. President: Is it necessary that the whole amendment should be read through?

Mr. C. V. Iyyu *(Kunnamkulam)*: I can read the whole.

(2) In fixing minimum bonus in respect of any scheduled employment Government may either—

(a) appoint a committee consisting of equal number of persons representing employers and workmen in the scheduled employment and presided over by a Chairman who does not represent either such employers or workmen to advise them in this behalf, or

(b) by notification in the Gochin Government Gazette publish their proposal for the information of persons likely to be affected thereby and specify a date and not less than two months from the date of the notification, on which the proposals will be taken into consideration.

(3) After considering the advice of the committee appointed under clause (a) of sub-section (2) or as the case may be, all representations received by them before the date specified in the notification under clause (b) of that sub-section, Government may, by notification in the Cochin Government Gazette fix the minimum bonus in respect of each schedule employment.

Mr. Itteria Ambukken *(Mala)* I second the motion.

Amendment put and lost

Mr. K. P. Rao *(Nominated)*: I would like to speak a few words against the amendment.

Mr. President: That stage is over.

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Clause 6 put and carried

Mr. C. V. Iyyu *(Kunnamkulam)*: Sir, since clause 6 was not inserted all the other clauses which are consequential amendments need not be moved.

Clauses 7 to 28 put and carried

Schedule Part I and Part II put and carried

Clause I put and carried

Title and preamble put and carried

Mr. P. Govinda Menon *(Minister for Finance and Law)*: Sir, I move that the Cochin Minimum Wages Bill be taken up and finally passed to-morrow.

Motion put and carried

(C) MOTIONS FOR SELECT COMMITTEE (CONT.)

(iii) The Cochin (Lease and Rent Control) Bill

Mr. E. Ikkanda Warriar *(Prime Minister)*: Sir, I move that the Cochin (Lease and Rent Control) Bill be referred to a Select Committee consisting of Mr. K. T. Achuthan, Dr. (Mrs.) T. Francis, Messrs. P. K. Dewer, P. K. Krishnankutty Menon, K. H. Sulaiman, and K. Natarajan Chettiar.

Mr. P Govinda Menon *(Minister for Finance and Law)*: I second it.

Motion put and carried

Mr. President: The report will be submitted within one month.

The House rose for Lunch at 5-30 p. m. and reassembled at 6 p. m. with the Hon'ble President in the Chair

(iv) The Cochin Industries Disputtes Bill

* **Mr. P. Govinda Menon** *(Minister for Finance and Law)* Sir, The motion standing in my name is a motion with reference to the Cochin Industrial Disputes Bill. I have to make a short explanation on that matter. The Cochin Industrial Disputes Bill was introduced in the last Legislative Council and after the relevant motion was passed in this House it was referred to a Select Committee. That Select Committee, I believe, has not submitted its report and although the motions standing in my name says that I will move that the Bill be referred to a Select Committee, strictly speaking it is a motion that in the place of the old Select Committee a new Select Committee composed of the members, I am going to mention, may be substituted in its place, because the principles of the Bill were considered and discussed on the floor of this House. The motion at that stage was passed in this House and the member in charge of the Bill referred the Bill to a Select Committee. But with the dissolution of the last Council that Select Committee also ceases to have force and therefore it has become necessary to suggest names for a new Select Committee to consider the Bill. That is the stage.....

Mr. President: It comes under Standing Order 13.

Mr. P. Govinda Menon *(Minister for Finance and Law)* Yes, Sir, under the law and Bill which reached that stage in the last Legislature can be continued from that stage in the present legislature. That is an old rule with respect to the procedure in this House and therefore I move that the Cochin Industrial Disputes Bill be referred again to a Select Committee consisting of Messrs. P. K. Dewer, K. Balakrishna Marar, Alexander Parambithra, K. Vasu Panicker, C. Sankara Menon, O. T. Inasu, T. P. Sitaraman, A. P. Sivaramakrishnan and K. Karunakaran.

Mr. E. Ikkanda Warriar *(Prime Minister)* I second the motion.

Motion put and carried

Mr. President The committee will report within one month's time.

(v) The Cochin Trade Union Act (Amendment) Bill

Mr. P. Govinda Menon *(Minister for Finance and Law)* The next motion is a similar one. The Cochin Trade Unions Act (Amendment) Bill was also considered and the principles were discussed in the last Legislature and after the motion at that stage was accepted by the House it was referred to a Select Committee. But the Select Committee did not submit its Report and therefore I move that the following members be constituted as the Select Committee to which the Bill may be referred:—

Messrs. P. K. Dewer
K. W. Muralidhara Marar
K. K. Viswanathan

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* Speech not corrected by the Hon'ble member.

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